

**Report of Head of Library and Information Service**

**Report to Deputy Chief Executive (Strategy & Resources) & Chief Officer Culture and Sport**

**Date: 1<sup>st</sup> December 2014**

**Subject: Design & Cost Report for Replacement RFID Kiosks for Libraries**

**Capital Scheme Number: 32220/000/000**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Library Service requires funding to replace a proportion of its self-service RFID (Radio Frequency Identification) kiosks to bring the whole estate up to the same model and level of operating system.
2. The supplier (Bibliotheca Ltd) has offered to replace 23 kiosks, including custom colours and associated returns bins, replace obsolete Windows XP PCs in a further 14 kiosks, and maintain the 23 new kiosks, free of charge for a period of 5 years.
3. This will save the Council £112k over a period of 5 years.

**Recommendations**

4. The Deputy Chief Executive is requested to:-
  - a) Authorise the injection of £166,120 into the 2014/15 capital programme funded by departmental prudential borrowing.

The Chief Officer Culture & Sport is requested to:-

- b) Approve the authority to spend of £166,120 on the purchase of replacement RFID equipment.

## **1 Purpose of this report**

1.1 This report is to request injection and authority to spend £166,120 on replacing a number of self-service kiosks in libraries.

## **2 Background information**

2.1 The library service has installed 60 self-service RFID kiosks in 32 libraries.

2.2 These machines were purchased over several years and are currently being replaced on a rolling cycle (around 5 kiosks per year) at a cost of approximately £50k expenditure per year financed via revenue leasing.

2.3 The current cost of maintenance of the RFID equipment is £61,340 per annum.

2.4 The supplier (Bibliotheca Ltd) no longer supplies the older style kiosks, although they are covered by a maintenance contract. In addition, some of the older kiosks are running PCs with Windows XP as the operating system. Windows XP is no longer supported by Microsoft.

2.5 The supplier has made a proposal to replace the 23 older kiosks with the latest version of kiosk, which includes the ability to make Chip & PIN payments when implemented. This type of kiosk is also able to take payments by coin and note and will also give change. These 23 replacement kiosks will be maintained, free of charge, for a period of 5 years. In addition, the supplier will replace, free of charge, the PCs in the 14 kiosks still running XP. They will also ensure that the entire estate of 60 kiosks has the same, most up to date version of Liber8, their RFID operating system.

2.6 The consolidation of the replacement of older equipment into a single project will reduce the annual revenue leasing requirement during the 5 year period. This proposal would also see a reduction in the costs of maintenance of the existing equipment from £61,340 down to £36,368 per annum. The combined effect will see a net saving of £112k over the five years.

2.7 The replacement of the XP PCs in 14 existing kiosks with Windows 7 PCs, equates to an additional one off saving of approximately £12,000.

## **3 Main issues**

### **3.1 Design Proposals and Full Scheme Description.**

3.2 **Programme** – The equipment will be ordered as soon as approval is given. This is a time limited offer from the supplier, and is subject to the invoice being raised by the end of December 2014. Installation to be carried out on a site by site basis to be agreed between the library service and Bibliotheca.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 The Executive Member for Digital & Creative Technologies, Culture and Skills gave approval on 26th November 2014.
- 4.1.2 The Head of Information Management & Technology (City Development) and the ICT Strategic Sourcing Manager have been consulted and their recommendations have been followed.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 There are no additional equality, diversity, cohesion and integration issues associated with the decision to replace this equipment, maintaining existing functionality whilst also offering the opportunity to improve customers' interactive experience. An Equality Impact Assessment was conducted in May 2008 and the observations and recommended actions considered at that time remain appropriate for the installation of this replacement.

### **4.3 Council policies and City Priorities**

- 4.3.1 The provision of self service equipment contributes to the Best Council objective of 'Becoming an efficient and enterprising council'; utilising self-service equipment reduces queuing at busy periods, takes income for fines and reservations and limits the amount of staff time required for a range of purely administrative transactions.

### **4.4 Resources and value for money**

- 4.4.1 **Full scheme estimate** £166,120 for replacement self-service kiosks. This will include installation.
- 4.4.2 **Prior Approvals** Approved at FPG on 14<sup>th</sup> November 2014 and supported as the proposal will more than pay for itself over 5 years.

#### 4.4.3 Capital Funding and Cash Flow.

Funding Approval :	Capital Section Reference Number :-						
Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	166.1		166.1				
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>166.1</b>	<b>0.0</b>	<b>166.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
Departmental USB	166.1		166.1				
Total Funding	166.1	0.0	166.1	0.0	0.0	0.0	0.0
<b>Balance / Shortfall =</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Parent Scheme Number : 32220/000/000

Title : Replacement RFID kiosks for libraries

#### 4.4.4 Revenue Effects

The following table illustrates the alterations which will be necessary to the department's revenue budget:

REVENUE EFFECTS	2014/15 £000's	2015/16 and SUBSEQUENT YEARS £000'S
EMPLOYEES	0.0	0.0
LEASING	-7.0	-21.0
MAINTENANCE	-30.0	-25.0
PRUDENTIAL BORROWING	38.0	38.0

The alterations illustrated in this table will be incorporated into the department's Revenue Budget by means of :

The £37,841 annual financing cost will be financed through the savings in the revenue maintenance budget and revenue leasing budget currently utilised for RFID equipment

maintenance and replacement. There will be additional savings of £112k over the 5 year period.

#### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The decision is a Significant Operational Decision and not subject to call-in

#### **4.6 Risk Management**

4.6.1 Risk of damage to the Council's reputation if public equipment is not fit for purpose.

### **5 Conclusions**

5.1 The service needs to spend £166,120 to keep equipment up to date and fit for purpose, the proposal will also enable savings for the Library and Information Service of £112k over a period of 5 years.

### **6 Recommendations**

6.1 The Deputy Chief Executive is requested to:-

- a) Authorise the injection of £166,120 into the 2014/15 capital programme funded by departmental prudential borrowing.

The Chief Officer Culture & Sport is requested to:-

- b) Approve the authority to spend of £166,120 on the purchase of replacement RFID equipment.

### **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.